

AMENDED IN SENATE AUGUST 19, 2009

AMENDED IN SENATE JULY 15, 2009

AMENDED IN ASSEMBLY JUNE 1, 2009

AMENDED IN ASSEMBLY MAY 4, 2009

AMENDED IN ASSEMBLY APRIL 14, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 711

Introduced by Assembly Member Charles Calderon

February 26, 2009

~~An act to add Section 6225 to the Revenue and Taxation Code, relating to sales and use taxes.~~ *An act relating to local government, and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

AB 711, as amended, Charles Calderon. ~~State Board of Equalization: administration; use tax.~~ *Local agency formation commissions: cost of incorporation commissions.*

Existing law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, authorizes a local agency formation commission to establish a schedule of fees and costs for proceedings taken pursuant to that act, including incorporation proceedings. The act authorizes the local agency formation commission to request a loan from the General Fund to cover the expenses of incorporation proceedings under specified circumstances.

This bill would appropriate \$112,000 from the General Fund to the Controller for allocation to the Los Angeles County Local Agency

Formation Commission for a loan to the East Los Angeles Residents Association, as specified. The bill would make findings and declarations regarding the need for a special statute.

~~The Sales and Use Tax Law requires a person conducting business as a seller of tangible personal property in this state to obtain a permit from the State Board of Equalization for each place of business and also requires a person selling tangible personal property for storage, use, or other consumption in this state to register with the State Board of Equalization.~~

~~This bill would require a qualified purchaser, as defined, to register with the State Board of Equalization and to report and pay by April 15, the use tax owed for the previous calendar year, as provided. This bill would not apply to the purchase of a vehicle, vessel, or aircraft.~~

~~This bill would become operative on July 1, 2010.~~

~~Vote: majority ²/₃. Appropriation: no yes. Fiscal committee: yes. State-mandated local program: no.~~

The people of the State of California do enact as follows:

1 *SECTION 1. The sum of one hundred twelve thousand dollars*
 2 *(\$112,000) is hereby appropriated from the General Fund to the*
 3 *Controller for allocation to the Los Angeles County Local Agency*
 4 *Formation Commission for a loan to the East Los Angeles*
 5 *Residents Association, pursuant to subdivision (g) of Section 56383*
 6 *of the Government Code.*

7 *SEC. 2. The Legislature finds and declares that this act is a*
 8 *special law that is necessary because a general law cannot be*
 9 *made applicable within the meaning of Section 16 of Article IV of*
 10 *the California Constitution because of the unique circumstances*
 11 *of the Los Angeles County Local Agency Formation Commission*
 12 *and the East Los Angeles Residents Association. In that respect,*
 13 *the Los Angeles County Local Agency Formation Commission and*
 14 *the East Los Angeles Residents Association require this loan to*
 15 *complete incorporation proceedings.*

16 ~~SECTION 1. Section 6225 is added to the Revenue and~~
 17 ~~Taxation Code, to read:~~

18 ~~6225. (a) In order to facilitate the collection of use tax imposed~~
 19 ~~by this part, a qualified purchaser shall register with the board on~~
 20 ~~a form prescribed by the board and shall set forth the name under~~
 21 ~~which the qualified purchaser transacts or intends to transact~~

1 business, the location of the qualified purchaser's place or places
2 of business, and other information as the board may require.

3 (b) ~~The provisions of Article 1 (commencing with Section 6451)~~
4 ~~of Chapter 5 of this part shall apply to a qualified purchaser, except~~
5 ~~that a return showing the total sales price of the tangible personal~~
6 ~~property purchased by the qualified purchaser, the storage, use, or~~
7 ~~other consumption of which became subject to the use tax during~~
8 ~~the preceding calendar year, and which was not paid to a retailer~~
9 ~~required to collect the tax or which was not paid to a retailer the~~
10 ~~qualified purchaser reasonably believed was required to collect~~
11 ~~the tax, shall be filed, together with a remittance of the amount of~~
12 ~~the tax due, with the board on or before April 15.~~

13 (c) ~~A "qualified purchaser" means a person that meets all of the~~
14 ~~following conditions:~~

15 (1) ~~The person is not required to hold a seller's permit pursuant~~
16 ~~to this part.~~

17 (2) ~~The person is not required to be registered pursuant to~~
18 ~~Section 6226.~~

19 (3) ~~The person is not a holder of a use tax direct payment permit~~
20 ~~as described in Section 7051.3.~~

21 (d) ~~This section shall not apply to the purchase of a vehicle,~~
22 ~~vessel, or aircraft as defined in Article 1 (commencing with Section~~
23 ~~6271) of Chapter 3.5 of this part.~~

24 SEC. 2. ~~This act shall become operative on July 1, 2010.~~